Adopted Rejected

## **COMMITTEE REPORT**

YES: 7 NO: 0

## MR. SPEAKER:

Your Committee on <u>Education</u>, to which was referred <u>Senate Bill 397</u>, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

1 Page 1, between the enacting clause and line 1, begin a new 2 paragraph and insert: 3 "SECTION 1. IC 6-1.1-18.5-10.3, AS AMENDED BY P.L.2-2005, 4 SECTION 88, IS AMENDED TO READ AS FOLLOWS 5 [EFFECTIVE JULY 1, 2005]: Sec. 10.3. (a) The ad valorem property 6 tax levy limits imposed by section 3 of this chapter do not apply to ad 7 valorem property taxes imposed by a library board for a capital projects 8 fund under IC 36-12-3. IC 36-12-12. However, the maximum amount 9 that is exempt from the levy limits under this section may not exceed 10 the property taxes that would be raised in the ensuing calendar year 11 with a property tax rate of one and thirty-three hundredths cents 12 (\$0.0133) per one hundred dollars (\$100) of assessed valuation. 13 (b) For purposes of computing the ad valorem property tax levy limit 14 imposed on a library board under section 3 of this chapter, the library 15 board's ad valorem property tax levy for a particular calendar year does

1 not include that part of the levy imposed under IC 36-12-3 IC 36-12-12 2 that is exempt from the ad valorem property tax levy limits under 3 subsection (a). 4 SECTION 2. IC 9-21-5-13, AS AMENDED BY HEA 1288-2005, 5 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Except as provided in 6 7 subsections (b) and (c), a person who violates this chapter commits a 8 Class C infraction. 9 (b) A person who exceeds a speed limit that is: 10 (1) established under section 6 of this chapter and imposed only 11 in the immediate vicinity of a school when children are present; 12 or 13 (2) established under section 11 of this chapter and imposed only 14 in the immediate vicinity of a worksite when workers are present; 15 commits a Class B infraction. 16 (c) A person who while operating a school bus knowingly, 17 intentionally, or recklessly exceeds a speed limit set forth in section 18 14 of this chapter commits a Class C misdemeanor. 19 SECTION 3. IC 9-21-12-11, AS AMENDED BY HEA 1288-2005, SECTION 25, IS AMENDED TO READ AS FOLLOWS 20 [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A person who violates 21 22 section 5, 6, or 7 of this chapter commits a Class C infraction. 23 (b) A person who knowingly, intentionally, or recklessly violates 24 section 12, 13, 14, 15, 16, or 17 of this chapter commits a Class C 25 misdemeanor.

SECTION 4. IC 10-13-3-21, AS AMENDED BY HEA 1288-2005, SECTION 116, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. As used in this chapter, "special education cooperative" has the meaning set forth in IC 20-35-5-1(a)(7).

30 IC 20-35-5-1(7).".
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Page 11, between lines 2 and 3, begin a new paragraph and insert: "SECTION 18. IC 20-12-76-18, AS ADDED BY HEA 1288-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) Subject to subsections (b), (c), (e), and (f), the commission shall determine the penal sum of each surety bond based upon the following guidelines:

(1) A postsecondary proprietary educational institution that has no annual gross tuition charges assessed for the previous year shall

secure a surety bond in the amount of five thousand dollars (\$5,000).

- (2) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are not more than five thousand dollars (\$5,000), the institution shall secure a surety bond in the amount of one hundred percent (100%) of that institution's annual gross tuition charges assessed for the previous year.
- (3) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five thousand dollars (\$5,000) but less than fifty thousand dollars (\$50,000), the institution shall secure a surety bond in the amount of five thousand dollars (\$5,000).
- (4) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than fifty thousand dollars (\$50,000) but less than five hundred thousand dollars (\$500,000), the institution shall secure a surety bond in the amount of ten percent (10%) of that institution's annual gross tuition charges assessed for the previous year.
- (5) If the postsecondary proprietary educational institution's annual gross tuition charges assessed for the previous year are more than five hundred thousand dollars (\$500,000), the institution shall secure a surety bond in the amount of fifty thousand dollars (\$50,000).
- (b) When a postsecondary proprietary educational institution is required to contribute to the fund and the fund has a balance on the date that the surety bond is due of at least:
  - (1) one hundred thousand dollars (\$100,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by twenty percent (20%);
  - (2) two hundred thousand dollars (\$200,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by forty percent (40%);
  - (3) three hundred thousand dollars (\$300,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by sixty percent (60%);
- 38 (4) four hundred thousand dollars (\$400,000), the commission

- shall reduce the penal sum of the surety bond described in subsection (a) by eighty percent (80%); or
  - (5) five hundred thousand dollars (\$500,000), the commission shall reduce the penal sum of the surety bond described in subsection (a) by one hundred percent (100%).
  - (c) Except as provided in:
    - (1) section 22 21 of this chapter; and
  - (2) subsection (f);

- and upon the fund achieving at least an initial five hundred thousand dollar (\$500,000) balance, each postsecondary proprietary educational institution that contributes to the fund when the initial quarterly contribution as required under this chapter after the fund's establishment is not required to make contributions to the fund or submit a surety bond.
- (d) The commission shall determine the number of quarterly contributions required for the fund to initially accumulate five hundred thousand dollars (\$500,000).
- (e) Except as provided in section 22 21 of this chapter and subsection (f), postsecondary proprietary educational institutions that begin making contributions to the fund after the initial quarterly contribution as required under this chapter are:
  - (1) required to make contributions to the fund for the same number of quarters as determined by the commission under subsection (d); and
  - (2) after making the contributions to the fund as provided in subdivision (1) for the required number of quarters, may not be required to submit a surety bond.
- (f) If after the fund acquires five hundred thousand dollars (\$500,000) the balance in the fund becomes less than one hundred thousand dollars (\$100,000), all postsecondary proprietary educational institutions not required to make contributions to the fund as described in subsection (c) or (e) shall make contributions to the fund for the number of quarters necessary for the fund to accumulate five hundred thousand dollars (\$500,000).

SECTION 19. IC 20-12-76-40, AS ADDED BY HEA 1288-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. (a) Except as provided in subsection (b), a person who **knowingly**, **intentionally**, **or recklessly** 

1 violates this chapter commits a Class B misdemeanor. 2 (b) A person who, with intent to defraud, represents the person to be 3 an agent of a postsecondary proprietary educational institution commits 4 a Class C felony. 5 SECTION 20. IC 20-20-14-3 AS ADDED BY HEA 1288-2005, 6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 7 JULY 1, 2005]: Sec. 3. (a) The council shall advise the state 8 superintendent and the governor on education related technology 9 initiatives. 10 (b) The appointed membership of the council shall reflect its 11 purposes and be experienced in technology generally. An appointed 12 member of the council serves at the pleasure of the appointing 13 authority. The council consists of the following sixteen (16) voting 14 members: 15 (1) The state superintendent. 16 (2) The special assistant to the state superintendent of public 17 instruction responsible for technology who is appointed under 18 section 5 of this chapter. 19 (3) Four (4) individuals who represent private business appointed 20 jointly by the state superintendent and the governor. Each member 21 appointed under this subdivision must be experienced in 22 development and use of information technology. A member 23 appointed under this subdivision may not represent possible 24 providers of technology or related services. 25 (4) Three (3) individuals who: 26 (A) manage educational environments, including higher 27 education; and 28 (B) are experienced in their educational work with information 29 technology; 30 are appointed jointly by the state superintendent and the governor. 31 (5) Three (3) individuals who are public school educators familiar 32 with and experienced in the use of technology in educational 33 settings appointed jointly by the state superintendent and the 34 governor, with one (1) representing an urban school corporation, 35 one (1) representing a suburban school corporation, and one (1)

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(6) Four (4) members who are members of the general assembly

representing a rural school corporation.

and who are appointed as follows:

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- (A) Two (2) members of the house of representatives, appointed by the speaker of the house of representatives with not more than one (1) from a particular political party.
  - (B) Two (2) members of the senate, appointed by the president pro tempore of the senate with not more than one (1) from a particular political party.
- (c) The state superintendent shall designate the chair of the council from the membership of the council.
- (d) Nine (9) members of the council constitute a quorum to conduct business. Action of the council is not valid unless approved by at least seven (7) nine (9) voting members of the council.
- (e) Each member of the council who is not a state employee is not entitled to the minimum salary per diem as provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.
- (f) Each member of the council who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.
- (g) Each member of the council who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council.

SECTION 21. IC 20-23-5-12, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) With respect to whether the disposition of the assets and liabilities of the losing school corporation, allocation of school tax receipts, and the amount to be paid by the acquiring school corporation is equitable, the court, subject to subsection (b), shall be satisfied that the annexing resolution conforms substantially to the following standards:

(1) The acquiring school corporation shall assume a part of all installments of principal and interest on any indebtedness of the

losing school corporation (other than current obligations or temporary borrowing) that fall due after the end of the last calendar year in which the losing school corporation is entitled to receive current tax receipts from property tax levies on the property of the annexed territory. The part consists of the following:

- (A) All installments relating to any indebtedness incurred in connection with the acquisition or construction of any building located in the annexed territory.
- (B) A proportion of all installments relating to any other indebtedness that is the same proportion as the valuation of the real property in the annexed territory bears to the valuation of all the real property in the losing school corporation, as the indebtedness is assessed for general taxation immediately before annexation.
- (2) The acquiring school corporation shall make the payments and assume the obligations provided for a school corporation acquiring territory or a building or buildings under IC 21-5-10.

  (3) Unless the losing school corporation consents to some other allocation, the part of the general fund money collected by the losing school corporation may not be allocated to the acquiring school corporation in a greater amount than would be awarded if the losing school corporation and the acquiring school corporation were respectively the "original school corporation" and the "annexing school corporation" within the meaning of IC 20-23-16, using the method provided in IC 20-23-16 for allocating the special school and tuition fund money.
- (b) Standards under subsection (a) may not be applicable to the extent the losing school corporation and acquiring school corporation otherwise agree in a situation where all or a majority of the students in the annexed territory have been transferred from the losing school corporation to the acquiring school corporation for the five (5) school years immediately preceding the transfer. The agreement between school corporations may not prejudice the rights of bondholders or lessors whose rights against the losing school corporation and acquiring school corporation shall, upon enforcement, be allocated between the losing school corporation and acquiring school corporation in accordance with subsection (a)(1) and (a)(2).

1 SECTION 22. IC 20-23-6-12, AS ADDED BY HEA 1288-2005, 2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 3 JULY 1, 2005]: Sec. 12. (a) This section provides an alternative method 4 for a school corporation to be reorganized as a community school 5 corporation. (b) The following may petition directly to the state board to be 6 7

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- reorganized as a community school corporation:
  - (1) A consolidated school corporation organized under section 3 of this chapter.
  - (2) A county school corporation organized under IC 20-23-16-15.
  - (3) (2) A metropolitan school district organized under IC 20-23-7-2 or IC 20-23-7-12.
- (c) The following apply to a school corporation that petitions directly to the state board under subsection (b):
  - (1) The school corporation is not required to do the following:
    - (A) Seek approval of a county committee established by IC 20-23-4-11.
    - (B) Pursue a joint meeting of a county committee and the state board under IC 20-23-4-18.
  - (2) The state board may waive the attainment of any standard required for reorganization as a community school corporation under this chapter.

SECTION 23. IC 20-23-7-13, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In the resolution creating a county school corporation or metropolitan school district or in the petitions requesting the creation of or requesting a referendum on the question of creating a corporation or district under IC 20-23-16-15 or section 2 or 12 of this chapter, the resolutions or petitions may specify when a school corporation or school district shall be created and the corporation or district shall then be created at the time provided in the resolutions or petitions.

SECTION 24. IC 20-23-9-6, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) If the department of local government finance submits a petition to the school property tax control board under section 5 of this chapter, the school property tax control board shall hold a factfinding hearing.

1	(b) At a hearing described in subsection (a), the school property tax
2	control board shall determine the following:
3	(1) Whether the township school has made all payments required
4	by any statute, including the following:
5	(A) P.L.32-1999.
6	(B) IC 20-23-5-12. and IC 20-23-16-37.
7	(C) The resolution or plan of annexation of the township
8	school, including:
9	(i) any amendment to the resolution or plan;
10	(ii) any supporting or related documents; and
11	(iii) any agreement between the township school and an
12	annexing corporation relating to the winding up of affairs of
13	the township school.
14	(2) The amount, if any, by which the township school is in arrears
15	on any payment described in subdivision (1).
16	(3) Whether the township school has filed with the department of
17	local government finance all reports concerning the affairs of the
18	township school, including all transfer tuition reports required for
19	the two (2) school years immediately preceding the date on which
20	the township school was annexed.
21	(c) In determining the amount of arrears under subsection (b)(2), the
22	school property tax control board shall consider all amounts due to an
23	annexing corporation, including the following:
24	(1) Any transfer tuition payments due to the annexing corporation.
25	(2) All levies, excise tax distributions, and state distributions
26	received by the township school and due to the annexing
27	corporation, including levies and distributions received by the
28	township school after the date on which the township school was
29	annexed.
30	(3) All excessive levies that the township school agreed to impose
31	and pay to an annexing corporation but failed to impose.
32	(d) If, in a hearing under this section, a school property tax control
33	board determines that a township school has:
34	(1) under subsection (b)(1), failed to make a required payment; or
35	(2) under subsection (b)(3), failed to file a required report;
36	the department may act under section 7 of this chapter.
37	SECTION 25. IC 20-23-16-2, AS ADDED BY HEA 1288-2005
3.8	SECTION 7 IS AMENDED TO READ AS FOLLOWS (EFFECTIVE

JULY 1, 2005]: Sec. 2. (a) Reorganization plans approved before March 15, 1963, by the state board are void on March 15, 1963, except with respect to any community school corporation where:

- (1) any plan has received a majority affirmative vote at an election:
- (2) the plan has been certified by the clerk of the circuit court as being petitioned in by fifty-five percent (55%) or more of the registered voters for any such reorganized school corporation and notice has been published by the county committee under sections 1 and 6 of this chapter and IC 20-23-4-11 through IC 20-23-4-17, IC 20-23-4-20 through IC 20-23-4-23, IC 20-23-4-42, and IC 20-23-4-43; or
- (3) the plan provides for a school corporation meeting the qualifications for formation of a community school corporation under IC 20-23-4-16.
- (b) The county committee and other government officials shall, with respect to any such voided reorganization plan, take all actions necessary for the preparation of a comprehensive plan as if a prior plan had not been submitted, and within the time prescribed by IC 20-23-4-5 IC 20-23-4-11 through IC 20-23-4-10 IC 20-23-4-17 and IC 20-23-16-1.

SECTION 26. IC 20-23-16-3, AS ADDED BY HEA 1288-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. With respect to a proposed community school corporation formed out of two (2) or more school corporations operating a joint high school that has an enrollment of at least six hundred (600) in grades 9 through 12 at the time of the adoption of a preliminary plan adopted under IC 20-23-4-5 IC 20-23-4-11 through IC 20-23-4-10, IC 20-23-16-1, and IC 20-23-16-2, the preliminary plan or final plan adopted under IC 20-23-4-5 IC 20-23-4-11 through IC 20-23-4-10, IC 20-23-4-17, IC 20-23-16-1, and IC 20-23-16-2 may provide for a board of nine (9) members.

SECTION 27. IC 20-25-5-15, AS ADDED BY HEA 1288-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. With respect to whether the disposition of the assets and liabilities of the losing school corporation is equitable, the allocation of school tax receipts is equitable, and the amount to be paid by the acquiring school corporation is equitable, a court must be

satisfied that the annexing resolution conforms substantially to the 1 2 following standards: 3 (1) Except for current obligations or temporary borrowing, the 4 acquiring school corporation shall assume a part of all installments 5 of principal and interest on the indebtedness of the losing school corporation that is due after the end of the last calendar year in 6 7 which the losing school corporation is entitled to receive current 8 tax receipts from property tax levies on the property in the 9 annexed territory. The part assumed by the acquiring school 10 corporation consists of the following: (A) All installments relating to any indebtedness incurred in 11 connection with the acquisition or construction of a building 12 13 located in the annexed territory. 14 (B) A proportion of all installments relating to any other 15 indebtedness that is in the same proportion as the valuation of 16 the real property in the annexed territory bears to the valuation 17 of all the real property in the losing school corporation. 18 Valuation under this clause is based upon the assessment for 19 general taxation immediately before annexation. 20 (2) The acquiring school corporation shall make the payments and 21 assume the obligations provided for a school corporation 22 acquiring: 23 (A) territory; 24 (B) a building or buildings; or 25 (C) both territory and a building or buildings; 26 under IC 21-5-10. 27 (3) Unless the losing school corporation consents to another 28 allocation, the part of the special school and tuition fund money 29 collected by the losing school corporation shall not be allocated 30 in a greater amount to the acquiring school corporation than 31 would be awarded if the: 32 (A) two (2) corporations were respectively the original school 33 corporation and the annexing school corporation under 34 IC 20-23-16; and 35 (B) amount to be paid to the losing corporation by the 36 acquiring school corporation based on the acquisition by the 37 acquiring school corporation of a building in the annexed 38 territory may not be less than would be awarded if the two (2)

1	school corporations were respectively the acquiring school
2	corporation and original school corporation under IC 20-23-16
3	(4) (3) If the annexed territory includes an entire losing schoo
4	corporation, the acquiring school corporation shall:
5	(A) acquire all the property and assets of the losing schoo
6	corporation without making any payments for the losing schoo
7	corporation; and
8	(B) assume all of the liabilities and obligations of the losing
9	school corporation.
10	SECTION 28. IC 20-25-10-3, AS ADDED BY HEA 1288-2005
11	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12	JULY 1, 2005]: Sec. 3. The board shall:
13	(1) modify, develop, and publish the plan required under this
14	chapter; and
15	(2) implement the modified plan;
16	in compliance with the timelines of IC 20-31-1, <del>IC 20-31-2,</del> IC 20-31-5
17	IC 20-31-6, IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10.
18	SECTION 29. IC 20-25-10-5, AS ADDED BY HEA 1288-2005
19	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20	JULY 1, 2005]: Sec. 5. (a) The board shall annually assess and evaluate
21	educational programs offered by the school city to determine:
22	(1) the relationship of the programs to improved studen
23	achievement; and
24	(2) the educational value of the programs in relation to cost.
25	(b) The board may obtain information from:
26	(1) educators in the schools offering a program;
27	(2) students participating in a program; and
28	(3) the parents of students participating in a program;
29	in preparing an assessment and evaluation under this section. The
30	assessment must include the performance of the school's students in
31	achieving student performance improvement levels under IC 20-31-1
32	<del>IC</del> <del>20-31-2,</del> IC 20-31-5, IC 20-31-6, IC 20-31-7, IC 20-31-8
33	IC 20-31-9, IC 20-31-10, and IC 20-25-11.
34	SECTION 30. IC 20-25-11-1, AS ADDED BY HEA 1288-2005
35	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36	JULY 1, 2005]: Sec. 1. The board shall establish annual studen
37	performance improvement levels for each school that are not less
38	rigorous than the student performance improvement levels unde

1	IC 20-31-1, <del>IC 20-31-2,</del> IC 20-31-5, IC 20-31-6, IC 20-31-7,
2	IC 20-31-8, IC 20-31-9, and IC 20-31-10, including the following:
3	(1) For students:
4	(A) improvement in results on assessment tests and assessment
5	programs;
6	(B) improvement in attendance rates; and
7	(C) improvement in progress toward graduation.
8	(2) For teachers:
9	(A) improvement in student results on assessment tests and
10	assessment programs;
11	(B) improvement in the number and percentage of students
12	achieving:
13	(i) state achievement standards; and
14	(ii) if applicable, performance levels set by the board;
15	on assessment tests;
16	(C) improvement in student progress toward graduation;
17	(D) improvement in student attendance rates for the school
18	year;
19	(E) improvement in individual teacher attendance rates;
20	(F) improvement in:
21	(i) communication with parents; and
22	(ii) parental involvement in classroom and extracurricular
23	activities; and
24	(G) other objectives developed by the board.
25	(3) For the school and school administrators:
26	(A) improvement in student results on assessment tests, totaled
27	by class and grade;
28	(B) improvement in the number and percentage of students
29	achieving:
30	(i) state achievement standards; and
31	(ii) if applicable, performance levels set by the board;
32	on assessment tests, totaled by class and grade;
33	(C) improvement in:
34	(i) student graduation rates; and
35	(ii) progress toward graduation;
36	(D) improvement in student attendance rates;
37	(E) management of:
38	(i) general fund expenditures; and

1	(ii) total expenditures;
2	per student;
3	(F) improvement in teacher attendance rates; and
4	(G) other objectives developed by the board.
5	SECTION 31. IC 20-25-13-7, AS ADDED BY HEA 1288-2005,
6	SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7	JULY 1, 2005]: Sec. 7. IC 20-28-6-4 and IC 20-28-6-5 apply to
8	certificated employees in the school city. A teacher's students'
9	performance improvement levels under the assessment tests and
10	programs of IC 20-31-1, <del>IC 20-31-2,</del> IC 20-31-5, IC 20-31-6,
11	IC 20-31-7, IC 20-31-8, IC 20-31-9, and IC 20-31-10 may be used as
12	a factor, but not the only factor, to evaluate the performance of a
13	teacher in the school city.
14	SECTION 32. IC 20-26-7-33, AS ADDED BY HEA 1288-2005,
15	SECTION 10, IS AMENDED TO READ AS FOLLOWS
16	[EFFECTIVE JULY 1, 2005]: Sec. 33. (a) The hearing described in
17	section 32 31 of this chapter may be adjourned from day to day.
18	(b) When the hearing has concluded, the board of county
19	commissioners and county council, acting jointly, shall determine from:
20	(1) the evidence submitted;
21	(2) an inspection of the building; or
22	(3) both the evidence and an inspection;
23	if the building should be condemned.
24	(c) If the board of county commissioners and county council, acting
25	jointly, determine that the building should be condemned, the board and
26	council shall fix a date when the order of the board and council
27	becomes effective. An appeal from the finding and determination of the
28	board of county commissioners may be made to the circuit or superior
29	court of the county in the same manner as appeals are taken from the
30	board of county commissioners.
31	SECTION 33. IC 20-26-11-8, AS ADDED BY HEA 1288-2005,
32	SECTION 10, IS AMENDED TO READ AS FOLLOWS
33	[EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A student who is placed in a
34	state licensed private or public health care facility, child care facility,
35	or foster family home:
36	(1) by or with the consent of the division of family and children;
37	(2) by a court order; or
38	(3) by a child placing agency licensed by the division of family

and children;

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may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

- (b) A student who is placed in a state licensed private or public health care or child care facility by a parent may attend school in the school corporation in which the facility is located if:
  - (1) the placement is necessary for the student's physical or emotional health and well-being and, if the placement is in a health care facility, is recommended by a physician; and
  - (2) the placement is projected to be for not less than fourteen (14) consecutive calendar days or a total of twenty (20) calendar days.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. Not later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department. The acceptance or notice of appeal by the school corporation must be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-35, the state board shall make a determination on transfer tuition according to the procedures in section 15 of this chapter. In the case of a student who has been identified as disabled under IC 20-35, the determination on transfer tuition shall be made under this subsection and the procedures adopted by the state board under  $\frac{IC}{20-35-2-1(c)(5)}$ . IC 20-35-2-1(b)(5).

- (c) A student who is placed in:
  - (1) an institution operated by the division of disability, aging, and rehabilitative services or the division of mental health and addiction; or
- (2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of mental health and addiction;

may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

SECTION 34. IC 20-26-12-15 AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) A governing body shall requisition the necessary textbooks from the contracting publishers approved by the state board. The contracting publisher shall ship the textbooks to the governing body not more than ninety (90) days after the requisition. On receipt of the textbooks, the governing body's school corporation has custody of the textbooks. The governing body shall provide a receipt to the contracting publisher and reimburse the contracting publisher the amount owed by the school corporation from the school corporation's general fund.

- (b) A governing body shall purchase textbooks:
  - (1) from a resident student who presents the textbooks for sale on or before the beginning of the school term in which the books are to be used;
  - (2) with money from the school corporation's general fund; and
- (3) at a price based on the original price to the school corporation minus a reasonable reduction for damage from usage.
  - (c) The proper school authorities shall purchase any textbooks that are to be used during any school year from any dealer:
    - (1) whose business is located in the county in which the school corporation is located; and
  - (2) who was authorized to sell textbooks before March 1, 1935.

    The purchase price may not exceed the price paid by the dealer to the contracting publisher.

SECTION 35. IC 20-27-3-8, AS ADDED BY HEA 1288-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. A person who **knowingly**, **intentionally**, **or recklessly** violates this chapter commits a Class C misdemeanor.

36 SECTION 36. IC 20-27-5-33, AS ADDED BY HEA 1288-2005, 37 SECTION 11, IS AMENDED TO READ AS FOLLOWS 38 [EFFECTIVE JULY 1, 2005]: Sec. 33. A person who **knowingly**,

1 intentionally, or recklessly violates this chapter commits a Class C 2 misdemeanor. 3 SECTION 37. IC 20-27-6-8, AS ADDED BY HEA 1288-2005, 4 SECTION 11, IS AMENDED TO READ AS FOLLOWS 5 [EFFECTIVE JULY 1, 2005]: Sec. 8. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C 6 7 misdemeanor. 8 SECTION 38. IC 20-27-7-19, AS ADDED BY HEA 1288-2005, 9 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. A person who knowingly, 10 11 intentionally, or recklessly violates this chapter commits a Class C 12 misdemeanor. SECTION 39. IC 20-27-8-16, AS ADDED BY HEA 1288-2005, 13 14 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. A person who knowingly, 15 16 intentionally, or recklessly violates this chapter commits a Class C 17 misdemeanor. SECTION 40. IC 20-27-9-17, AS ADDED BY HEA 1288-2005, 18 SECTION 11, IS AMENDED TO READ AS FOLLOWS 19 20 [EFFECTIVE JULY 1, 2005]: Sec. 17. Except as provided in this 21 article, a person who knowingly, intentionally, or recklessly violates 22 this chapter commits a Class C misdemeanor. 23 SECTION 41. IC 20-27-10-4, AS ADDED BY HEA 1288-2005, 24 SECTION 11, IS AMENDED TO READ AS FOLLOWS 25 [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who knowingly, 26 intentionally, or recklessly violates this chapter commits a Class C 27 misdemeanor. 28 SECTION 42. IC 20-28-1-10, AS ADDED BY HEA 1288-2005, 29 SECTION 12, IS AMENDED TO READ AS FOLLOWS 30 [EFFECTIVE JULY 1, 2005]: Sec. 10. "Managing body" refers to: 31 (1) the governing body; 32 (2) the board of managers (as defined in  $\frac{1C}{20-35-5-1(a)(3)}$ ; 33 IC 20-35-5-1(3)); or 34 (3) any other governing entity; that has the responsibility for administering the school corporation's 35 36 special education program or a special education cooperative organized under IC 20-35-5, IC 20-26-10, or IC 36-1-7. 37

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SECTION 43. IC 20-33-2-32, AS ADDED BY HEA 1288-2005,

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SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 32. (a) In a county that has not been completely reorganized under IC 20-23-4, the governing body of each school corporation that constitutes a separate attendance district under section 3 30 of this chapter shall appoint an attendance officer. One (1) additional attendance officer may be appointed for every seven thousand five hundred (7,500) students in average daily attendance in the corporation.

(b) Whenever the governing body of a school corporation makes an appointment under this section, it shall appoint an individual nominated by the superintendent. However, the governing body may decline to appoint any nominee and require another nomination. The salary of each attendance officer appointed under this section shall be fixed by the governing body. In addition to salary, the officer is entitled to receive reimbursement for actual expenses necessary to properly perform the officer's duties. The salary and expenses of an attendance officer appointed under this section shall be paid by the treasurer of the county in which the officer serves, on a warrant signed by the county auditor. The county council shall appropriate, and the board of county commissioners shall allow, the funds necessary to make these payments. However, a warrant shall not be issued to an attendance officer until the attendance officer has filed an itemized statement with the county auditor. This statement shall show the time employed and expenses incurred. The superintendent shall approve the statement and certify that it is correct.

SECTION 44. IC 20-33-8-33, AS ADDED BY HEA 1288-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. Before February 1 and before October 1 of each year, except when a hearing has been requested to determine financial hardship under IC 9-24-2-1(a)(4), the governing body of the school corporation a principal shall submit to the bureau of motor vehicles the pertinent information concerning an individual's ineligibility under IC 9-24-2-1 to be issued a driver's license or learner's permit, or concerning the invalidation of a license or permit under IC 9-24-2-4.

SECTION 45. IC 20-34-4-6, AS ADDED BY HEA 1288-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Not later than sixty (60) days

after the enrollment of students for the first time and when additional immunizations are required by statute or rule, each school shall file a written report with the state department of health and the local health department having jurisdiction. The report must include the following:

- (1) A statement of the number of students who have demonstrated immunity against diphtheria, pertussis (whooping cough), tetanus, measles, rubella, poliomyelitis, mumps, and hepatitis B.
- (2) A statement of the number of students who have not demonstrated immunity against the illnesses listed in subdivision (1).
- (3) A statement of the number of students who have been found positive for sickle cell anemia or lead poisoning.
- (b) The state department of health and the local health department shall, for good cause shown that there exists a substantial threat to the health and safety of a student or the school community, be able to validate immunization reports by onsite reviews or examinations of nonidentifying immunization record data. This section does not independently authorize the state department of health, a local department of health, or an agent of the state department of health or local department of health to have access to identifying medical or academic record data of individual students attending nonaccredited nonpublic schools.
- (c) A **school shall file a** report <del>shall be filed</del> for each student who enrolls <del>subsequent to after</del> the filing of the report for students who enrolled at the beginning of the school year. The state department of health has exclusive power to adopt rules for the administration of this section.

SECTION 46. IC 20-35-4-10, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) For purposes of this section, "comprehensive plan" means a plan for educating the following:

- (1) All children with disabilities that a school corporation is required to educate under sections 8 through 9 of this chapter.
- (2) The additional children with disabilities that the school corporation elects to educate.
- 36 (b) For purposes of this section, "school corporation" includes the37 following:
- 38 (1) The Indiana School for the Blind board.

1 (2) The Indiana School for the Deaf board. 2 (c) The state board shall adopt rules under IC 4-22-2 detailing the 3 contents of the comprehensive plan. Each school corporation shall 4 complete and submit to the state superintendent a comprehensive plan. 5 School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a 6 7 school corporation enters into a contractual agreement as permitted 8 under section 9 of this chapter, the school corporation shall collaborate 9 with the service provider in formulating the comprehensive plan. 10 (d) Notwithstanding the age limits set out in <del>IC</del> <del>20-35-1-1,</del> 11 IC 20-35-1-2, the state board may: 12 (1) conduct a program for the early identification of children with 13 disabilities, between the ages of birth and less than twenty-two 14 (22) years of age not served by the public schools or through a 15 contractual agreement under section 9 of this chapter; and (2) use agencies that serve children with disabilities other than the 16 17 public schools. 18 (e) The state board shall adopt rules under IC 4-22-2 requiring the: 19 (1) department of correction; 20 (2) state department of health; 21 (3) division of disability, aging, and rehabilitative services; 22 (4) Indiana School for the Blind board; 23 (5) Indiana School for the Deaf board; and 24 (6) division of mental health and addiction; 25 to submit to the state superintendent a plan for the provision of special 26 education for children in programs administered by each respective 27 agency who are entitled to a special education. 28 (f) The state superintendent shall furnish professional consultant 29 services to school corporations and the entities listed in subsection (e) 30 to aid them in fulfilling the requirements of this section. 31 SECTION 47. IC 20-35-5-15, AS ADDED BY HEA 1288-2005, 32 SECTION 19, IS AMENDED TO READ AS FOLLOWS 33 [EFFECTIVE JULY 1, 2005]: Sec. 15. Meetings of the board of 34 managers shall be held in accordance with IC 20-26-4-2. IC 20-26-4-3.

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[EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The state board shall adopt

rules under IC 4-22-2 to establish limits on the amount of transportation

SECTION 48. IC 20-35-8-2, AS ADDED BY HEA 1288-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS

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that may be provided in the student's individualized education program.

Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules must limit the transportation required by the student's individualized education program to the following:

- (1) The student's first entrance and final departure each school year.
- (2) Round trip transportation each school holiday period.
- (3) Two (2) additional round trips each school year.
- (b) If a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-33-6-1 IC 20-26-11-1 through IC 20-33-6-4 IC 20-26-11-4 shall pay the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:
  - (1) The quotient of:
  - (A) the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends; divided by
    - (B) the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).
  - (2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.
- (c) If a student receives a special education:
- 30 (1) in a facility operated by:
  - (A) the state department of health;
- 32 (B) the division of disability, aging, and rehabilitative services;

- 34 (C) the division of mental health and addiction;
- 35 (2) at the Indiana School for the Blind; or
- 36 (3) at the Indiana School for the Deaf;
- the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized

education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(d) If a student is placed in a private facility under IC 20-35-6-2 in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

SECTION 49. IC 20-37-1-1, AS ADDED BY HEA 1288-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Two (2) or more school corporations may cooperate to:

- (1) establish; and
- (2) maintain or supervise; schools or departments for vocational education if the governing bodies of the school corporations agree to cooperate and apportion the cost of the schools or departments among the school corporations.
  - (b) If the cooperating school corporations agree to:
- (1) establish; and

- (2) maintain or supervise;
- the schools or departments under subsection (a), the heads designated representatives of the school corporations or their delegated representatives constitute a board for the management of the schools or departments. The board may adopt a plan of organization, administration, and support for the schools or departments. The plan, if approved by the state board, is a binding contract between the cooperating school corporations.
- (c) The governing bodies of the cooperating school corporations may cancel or annul the plan described in subsection (b) by the vote of a majority of the governing bodies and upon the approval of the state board. However, if a school corporation desires to withdraw a course offering from the cooperative agreement after:
- (1) attempting to withdraw the course offering under a withdrawal
   procedure authorized by the school corporation's cooperative
   agreement or bylaw; and

1	(2) being denied the authority to withdraw the course offering;
2	the school corporation may appeal the denial to the state board. In the
3	appeal, a school corporation must submit a proposal requesting the
4	withdrawal to the state board for approval.
5	(d) The proposal under subsection (c) must do the following:
6	(1) Describe how the school corporation intends to implement the
7	particular vocational education course.
8	(2) Include a provision that provides for at least a two (2) year
9	phaseout of the educational program or course offering from the
0	cooperative agreement.
1	Upon approval of the proposal by the state board, the school
2	corporation may proceed with the school corporation's withdrawal of
3	the course offering from the cooperative agreement and shall proceed
4	under the proposal.
5	(e) The withdrawal procedure under subsections (c) and (d) may not
6	be construed to permit a school corporation to change any other terms
7	of the plan described in subsection (b) except those terms that require
8	the school corporation to provide the particular course offering sought
9	to be withdrawn.
20	(f) The board described in subsection (b) may do the following:
21	(1) Enter into an agreement to acquire by lease or purchase:
22	(A) sites;
23	(B) buildings; or
24	(C) equipment;
2.5	that is suitable for these schools or departments. This authority
26	extends to the acquisition of facilities available under IC 21-5-11.
27	(2) By resolution adopted by a majority of the board, designate
28	three (3) or more individuals from the board's membership to
.9	constitute an executive committee.
0	(g) To the extent provided in a resolution adopted under subsection
1	(f)(2), an executive committee shall do the following:
52	(1) Exercise the authority of the full board in the management of
3	the schools or departments.
4	(2) Submit a written summary of its actions to the full board at
55	least semiannually.".
66	Page 11, between lines 34 and 35, begin a new paragraph and insert:
57	"SECTION 51. IC 36-1-14-1, AS AMENDED BY HEA 1288-2005,
8	SECTION 236, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section does not apply 2 to donations of proceeds from riverboat gaming to a public school 3 endowment corporation under IC 20-26-5-19. IC 20-26-5-21. 4 (b) As used in this section, "riverboat gaming revenue" means tax 5 revenue received by a unit under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue. 6 7 (c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds from the sale of a utility or facility or from a grant, a gift, a donation, 8 9 an endowment, a bequest, a trust, or riverboat gaming revenue to a 10 foundation under the following conditions: 11 (1) The foundation is a charitable nonprofit community 12 foundation. 13 (2) The foundation retains all rights to the donation, including 14 investment powers. 15 (3) The foundation agrees to do the following: 16 (A) Hold the donation as a permanent endowment. 17 (B) Distribute the income from the donation only to the unit as 18 directed by resolution of the fiscal body of the unit. 19 (C) Return the donation to the general fund of the unit if the foundation: 20 21 (i) loses the foundation's status as a public charitable 22 organization; 23 (ii) is liquidated; or 24 (iii) violates any condition of the endowment set by the 25 fiscal body of the unit.". 26 Page 11, line 42, delete "IC 20-4-16-6." and insert "IC 20-4-16-6; 27 IC 20-23-16-2; IC 20-23-16-6; IC 20-23-16-7; IC 20-23-16-8; IC 20-23-16-9; IC 20-23-16-10; IC 20-23-16-12; IC 20-23-16-13; 28 29 IC 20-23-16-14; IC 20-23-16-15; IC 20-23-16-16; IC 20-23-16-17; 30 IC 20-23-16-18; IC 20-23-16-19; IC 20-23-16-20; IC 20-23-16-21; 31 IC 20-23-16-22; IC 20-23-16-23; IC 20-23-16-24; IC 20-23-16-28; 32 IC 20-23-16-29; IC 20-23-16-30; IC 20-23-16-31; IC 20-23-16-32;

- 1 IC 20-23-16-33; IC 20-23-16-34; IC 20-23-16-35; IC 20-23-16-36;
- 2 IC 20-23-16-37; IC 20-23-16-38; IC 20-23-16-39; IC 20-23-16-40.".
- Renumber all SECTIONS consecutively.

  (Reference is to SB 397 as printed February 25, 2005.)

and when so amended that said bill do pass.

Representative Behning